



Cluster Information	
Goal:	To create private-public partnerships as a catalyst for job creation and business growth in Southeast Alaska.
Co-chairs:	Julie Decker, Development Director, Alaska Fisheries Development Foundation John Sund, Mariculture Advocate

Previous Meetings		
Date:	Attendees:	Purpose:
12/20/12	Cynthia Pring-Ham, Debbie Hart, Jeff Weltzin, Jim Seeland, John Sund, Julie Decker, Patricia Phillips, Phil Doherty, Stefanie Moreland, Brian Holst, Marie Franklin, Aaron Ferguson	Monthly teleconference
11/20/12	Cynthia Pring-Ham, Debbie Hart, Jeff Weltzin, Jim Seeland, John Sund, Jon Martin, Julie Decker, Karen Hardigg, Kathy Hansen, Keith Criddle, Keith Perkins, Kris Norosz, Patricia Phillips, Tom Fletcher, Brian Holst, Zach Wilkinson, Aaron Ferguson	Monthly teleconference
11/8/12	Cynthia Pring-Ham, John Sund, Rodger Painter, Ray RaLonde, Tom Henderson, Tom Fletcher, Aaron Ferguson, other attendees of the Shellfish Technology Workshop and Alaska Shellfish Growers Association meeting	Initiative 10: Support the Regional Mariculture Industry

Initiative Activity Update:	
Initiative 1:	Develop a Sea Otter Management Program in Southeast Alaska
Champion:	Phil Doherty
Progress:	<ul style="list-style-type: none"> <li>○ Phil Doherty indicated that, unlike last winter, none of the stakeholder groups regarding</li> </ul>

sea otter management plan to meet this winter.

- Phil indicated that he will remain in touch with Verena Gill (Wildlife Biologist, U.S. Fish and Wildlife Service) who, along with Sunny Rice (Marine Advisory Program, University of Alaska Fairbanks, Petersburg office) and Zachary Hoyt (Ph.D. Student, Fisheries Division, School of Fisheries and Ocean Sciences, University of Alaska Fairbanks) are tracking sea otters and their diets. This team will probably finish a report about this work by summer of 2013.
  - On September 12, 2012, Dan Ashe (Director of the U.S. Fish and Wildlife Service) hosted a teleconference to address the definition of sea otter use and “significantly altered” for native tribes. He initially said that this work would be completed by January but the date has been pushed back until February (Phil noted that folks in the U.S. Fish and Wildlife Service have been working on this issue for decades).
  - Phil spoke with contacts in AK Department of Fish and Game about sea otter management. However, there has been lots of staff turnover in the Douglas office so some inertia has been lost there.
  - According [an article in the LA Times](#), the U.S. Fish and Wildlife Service has lost its battle to manage sea otters in Southern California, which does not bode well for dive fisheries.
  - Southeast Alaska Regional Dive Fisheries Association has hired a consultant to serve as a lobbyist in Washington, DC. Phil asserted that officials in Washington, DC are aware of this issue with sea otters.
  - Julie Decker pointed out that this year is the 30-year anniversary of the Marine Mammal Protection Act. At the last Board meeting, UFA discussed requesting Senator Lisa Murkowski hold a briefing in the Senate Oceans Caucus to start a conversation about the problems associated with the Marine Mammal Protection Act.
  - Phil said that SARDFA has not tried to sue the U.S. Fish and Wildlife Service and has instead focused on pushing the State of Alaska to do something about this issue.
  - Stefanie Moreland (Special Assistant to the Governor for Fisheries, Oceans and Arctic policy) indicated that the Office of the Governor is aware of the sea otter issue. Stefanie said that she will follow up with the Alaska Department of Fish and Game regarding the timeline of the decision regarding the definition of “significantly altered”.
  - Phil said that he contacted tribal governments and corporations to try to collaborate to address this issue but that he has not been allowed to attend any of the tribal meetings.
  - Julie heard that Central Council of the Tlingit and Haida Indian Tribes of Alaska hired someone to work on a sea otter management plan.
- Work plan:
    - Stefanie Moreland stated that she would try to get an update from Carrie Sykes with Central Council regarding their work on a sea otter management plan.

Initiative 2: Establish a Marine Industry Technology and Workforce Improvement Consortium  
Champion: Jason Custer

- Progress:
  - Brian Holst traveled to Iceland and met with the manager of Iceland’s Ocean Cluster. He learned that the Ocean Cluster in Iceland keeps marine trades and seafood together as one cluster because of the synergies that are created by helping these industries to collaborate. Therefore, Brian advises the Ocean Products CWG to proceed with caution regarding narrowing the mandate of the CWG to just seafood to the exclusion of marine trades.
  - John Sund noted that there is currently a \$20 million cod boat in the shipyard in Ketchikan; it appears that there is some interest from businesses in Seattle to have boats worked on in Southeast Alaska but the workforce lacks qualified workers.
  - Julie Decker said that businesses are actively working on their vessels because the price of salmon has rebounded. She also indicated that a group made up of the Economic Development Committee, the Port Commission, and the city economic development director have been working in Wrangell to help the marine repair facility attract talent and underrepresented businesses and develop the local workforce needed.
  - Stefanie Moreland mentioned that the University of Alaska Fisheries, Seafood and Maritime Initiative (FSMI) is working on completing an assessment of the workforce development needs of this industry and that she would be happy to communicate the interests of the Ocean Products CWG to the FSMI.
  - Several members of the CWG pointed out that SE Conference is also working on workforce development issues as they related to the marine industry.
  - John Sund suggested that the CWG needs to figure out how to move this initiative forward so that it helps the private firms in this industry.
  - Julie Decker proposed that we contact Doug Ward with the [Ketchikan Marine Industry Council](#) to see how his organization’s work is going. The Ketchikan Marine Industry Council (KMIC) identified marine industry firms in Ketchikan, figured out what service each firm provides, mapped where each is located, and put all of this information on the Internet. Julie believes that completing something like the work of the KMIC for the rest of Southeast Alaska is a good place to start for this initiative because it helps increase the visibility of firms in the marine trades industry.
- Work plan:
  - Maintain contact with FSMI.
  - Contact Doug Ward to get an update on the work of the KMIC.
  - Explore having a conversation with folks from the marine trades industry on the third day of the Innovation Summit.

Initiative 3: Ensure Southeast’s Fishing Future through Targeted Education and Training  
Champion: Vacant

- Progress:

- Jim Seeland spoke with Kris Norosz, Keith Criddle, and Sunny Rice about this initiative and they all determined that perhaps it is best if this initiative is altered so that the focus becomes education and recruitment instead of on the flight of quotas from Southeast Alaskan communities.
- Julie Decker noted that she has no problem with letting initiatives evolve—especially if someone is willing to work on the newly evolved initiative—and thought that Jim would be a good champion for this initiative if the focus became education. She did assert that maintaining a focus on the financing aspects of the seafood industry would be important for any education initiative.
- Work plan:
  - Jim Seeland to work with Aaron Ferguson to redefine this initiative and figure out a plan of action.

Initiative 4: Include the Seafood Industry in USDA Programs  
Champion: Julie Decker

- Progress:
  - Julie Decker proposed to alter the title and direction of this initiative to be “Refinement of USDA programs applicable to the seafood industry” because USDA has not been receptive to completing an analysis of how it might creatively include the seafood industry in more of its programs. Stefanie Moreland agrees with Julie’s approach because it is Stefanie’s understanding that USDA is not willing to be that creative right now.
  - Julie is also working to complete narratives and grant proposals for three of the USDA interest areas that apply to the ocean products.
  - Jeff Weltzin with OceansAlaska said that he submitted an application to USDA to help increase mariculture production in rural Southeast Alaska.
- Work plan:
  - Consider having workshop about opportunities in USDA programs at Innovation Summit

Initiative 5: Enhance Salmon Production  
Champion: Steve Reifentstahl

- Progress:
  - There have been some reports that have been released recently that explain the economic value of hatcheries. For example, the McDowell group released a [report](#) that discusses the economic impact of the Prince William Sound Aquaculture Corporation in October 2012.
  - Brian Holst indicated that a team from the USFS is going to meet during the Innovation

Summit and that this might be a good platform for the cluster to present its ideas for how to enhance salmon production.

- Debbie Hart provided an update on the Southeast Alaska Fish Habitat Partnership: she said that the Partnership's science and data committee is working to get a sense of all the work on habitat enhancement that is currently being completed so that the Partnership can attempt to align these efforts. She also mentioned that the Southeast Watershed Coalition and Central Council are hosting a symposium on habitat enhancement through partnerships in March 2013.
  - Julie Decker noted that Greg Killinger, Fisheries, Watershed and Soils Staff Officer, Tongass National Forest had provided an her an update about the major watershed restoration and fisheries enhancement projects accomplished in 2012 and those planned in 2013 in the Tongass National Forest. Please see the "Other Informational Items" section for this information.
- Work plan:
    - John Sund committed to thinking about this initiative regarding how the cluster might help.

Initiative 6: Support the Regional Mariculture Industry  
Champion: John Sund

- Progress:
  - According to Cynthia Pring-Ham, Ray RaLonde is trying to get funds to upgrade mariculture nurseries that currently exist.
  - Cynthia also said that the Department of Fish and Game is trying to grant permission for OceansAlaska to begin propagation of geoducks and oysters.
  - John Sund mentioned that Sealaska's Haa Aani is working to attract new mariculture farmers and representatives from Haa Aani traveled to BC to visit Keith Reed's successful mariculture farm.
- Work plan:
  - No specific plan was identified.

### Other Informational Items

- Brian Holst visited Iceland on a trip organized by the Institute of the North and had the opportunity to meet with Iceland's Ocean Cluster. Brian noted that Iceland is, in many ways (e.g. latitude, major industries, size of population), very similar to Alaska.
  - Brian learned about a couple gems of the Icelandic economy:

- Geothermal energy:
    - Iceland generates so much geothermal energy that it is able to export energy
    - There is a Geothermal Cluster that served as a mechanism for developing Iceland's ability to sell geothermal technology to other nations
  - Seafood industry:
    - The seafood industry is Iceland's highest paying industry
    - This industry does a very good job of extracting a lot of value from each fish (e.g. \$72 worth of products is generated from an \$8 cod)
  - Brian also learned more about the Ocean Cluster. This cluster is hosted in a physical location, the "Cluster House", where representatives from around 20 firms have offices. Also, the membership of this cluster is formalized by requiring participants to contribute financial resources.
- Note from Greg Killinger, Fisheries, Watershed and Soils Staff Officer, Tongass National Forest about the major watershed restoration and fisheries enhancement projects accomplished in 2012 and planned in 2013 on the Tongass National Forest:
    - From Greg: "Please note that most if not all of this work is dependent on major partnership efforts with several groups, local communities and the state (ADF&G). It also has been and is dependent on additional support from grants often via [Forest Service] partners' efforts."
    - Major watershed restoration and fisheries habitat enhancement related projects that occurred on the Tongass National Forest in 2012:
      - **Twelvemile Watershed Restoration (Phase I of II) in partnership with National Forest Foundation (+ grant funding), The Nature Conservancy, Prince of Wales Communities (+ Secure Rural Schools - Title II RAC funding), and USFS:** Completed a variety of resource restoration work including: major main-channel and tributary in-stream restoration - coho, steelhead, pink and chum salmon habitat; riparian and upland thinning; and road storage (+ removal of barrier pipes) and some conversion to ATV trail. Project included media coverage.
      - **Sitkoh River Watershed Restoration – Peril IRMP - Partnership with Sitka Conservation Society (+Sustainable Salmon Fund grant), Trout Unlimited, Alaska Dept Fish & Game and USFS:** Completed extensive work including: major main-channel in-stream restoration and connections – primary coho, steelhead, pink and chum producing system; riparian and upland thinning; and road storage. Impressive variety of media coverage (Radio, newspaper, magazines and various web sites) with a host of partners, State, Regional Office and Commercial Fishing "gear group" representatives.

- **NFWF Grant:** Collaborated with the National Fish and Wildlife Foundation, Regional Office, The Nature Conservancy, Pacific Northwest Research Station - USFS and others to successfully secure a million dollar (\$400,000 in hand to date) Watershed Restoration grant (FY2013-2014), partly based on our recent history of major restoration accomplishments and looking ahead at some great future opportunities. Note: we still need more funding to accomplish needed major salmon stream and watershed restoration work planned for the next several years.
- **Forest Plan, BMP and Watershed Restoration Effectiveness Monitoring (WREM):** Completed monitoring of road drainage structures, riparian area windthrow – buffer stability, Management Indicator Species and watershed restoration effectiveness monitoring in 2012. The WREM protocols are also being re-assessed in cooperation with PNW, State and other scientists and partners in FY 2013 to strengthen the long term results and ability to answer key questions about the effectiveness of watershed and stream restoration work.
- **Tongass Fisheries and Watershed Program Media Coverage and Public Awareness:** Completed substantial efforts with several restoration partners to document and highlight the extraordinary value of the fisheries produced from the Tongass NF and the major work being completed to restore key salmon fisheries and watersheds. Along with media coverage noted above, this effort includes the following brochures, documents and stories:
  - Tongass Salmon Factsheet – 1 page: completed
  - Tongass Salmon Factbook – larger effort in progress with \$80,000 secured from partners in FY2012 for PNW led effort to document the salmon systems, fisheries and use in Southeast Alaska – expected completion late 2013.
  - Faces of the Tongass National Forest – color brochure completed August 2012 (brochures available)
  - Salmon in the Tongass National Forest – 4 page color brochure completed August 2012 (brochures available)
  - Story about Fish Passes on the Tongass: <http://sitkawild.org/2012/09/fish-passes/> completed September 2012
  - Story about the Subsistence Fisheries Information Program and values to small communities on the Tongass: expected completion by spring 2013
- **Fisheries, Hydrology and Soils support to a variety of high priority Tongass projects involving all resource program areas including, but not limited to the following:**
  - Big Thorne Timber Sale EIS – Stewardship Area (includes planned major Luck Lake watershed restoration effort)
  - Major Road Storage and Maintenance including many removal of many fish barrier pipes (Prince of Wales Island and Sitka Ranger District)
  - Greens Creek Mine Tailings Expansion EIS

- Outfitter Guide EIS
  - Invasive Plant (PRD/WRD) EA
  - Climate Change Scenario Planning – Vulnerability Assessment work with stakeholders
- Some of the major watershed restoration and fisheries habitat enhancement related projects planned on the Tongass National Forest in 2013:
- **Twelvemile Watershed Restoration (Phase II of II) in partnership with National Forest Foundation (+ grant funding), The Nature Conservancy (NFWF and Sustainable Salmon grant funding), Prince of Wales Communities, and USFS:** Implement Phase II restoration work including: major main-channel and tributary in-stream restoration - coho, steelhead, pink and chum salmon habitat; riparian and upland thinning; and remaining road storage (+ removal of barrier pipes).
  - **North Kuiu & Saginaw Creek Watershed Restoration (Stewardship Area) - Partnership with The Nature Conservancy (NFWF and Sustainable Salmon grant funding) and USFS with possible additional partners:** Implement the 1<sup>st</sup> Phase of a multi-year extensive watershed restoration project in several streams on North Kuiu Island. Planned multi-year work includes: major main-channel in-stream restoration and connections – primary coho, steelhead, pink and chum producing system; riparian and upland thinning; and road storage. Work planned in 2013 includes gathering up to 1,000 trees/logs needed for the restoration work and road stabilization and improvement.
  - **Kanalku Fish Passage in partnership with the State of Alaska (major funder) and Angoon:** This 2013 project will improve survival of returning sockeye salmon by blasting step pools in the partial barrier falls on the outlet of Kanalku creek and lake, a primary sockeye subsistence fishery for the local community.
  - **Luck Lake/Eagle Creek Watershed Restoration (Big Thorne Stewardship Area) in partnership with The Nature Conservancy and others yet to be named:** Complete NEPA and Design in 2013, and possibly a contract for large wood collection in preparation for major stream restoration and road storage + barrier pipe removal work planned in 2014 and beyond. More funding still needed for implementation.

### Next Steps

- The date of the next Ocean Products Cluster Working Group is 1/29/13 at 9 AM.



## Resources

LA Times article about the end of sea otter management in Southern California: <http://www.latimes.com/news/local/la-me-otters-20121220,0,6969607.story>

Marine Mammal Protection Act: <http://www.nmfs.noaa.gov/pr/pdfs/laws/mmpa.pdf>

Economic Impact of the Prince William Sound Aquaculture Corporation: <http://pwsac.com/wp-content/uploads/2012/11/PWSAC-Economic-Impact-Study-2012.pdf>